

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): November 13, 2023

Henry Schein, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

0-27078
(Commission
File Number)

11-3136595
(IRS Employer
Identification No.)

135 Duryea Road, Melville, New York
(Address of principal executive offices)

11747
(Zip Code)

Registrant's telephone number, including area code: (631) 843-5500

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
Common Stock, par value \$.01 per share	HSIC	The Nasdaq Global Select Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02. Results of Operations and Financial Condition.

On November 13, 2023, Henry Schein, Inc. issued a press release reporting the financial results for the three and nine months, ended September 30, 2023. The full text of the press release is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

The information in this Item 2.02 and the press release attached as Exhibit 99.1 are considered furnished to the Securities and Exchange Commission and are not deemed filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended.

Item 9.01. Financial Statements and Exhibits

- (a) Not applicable.
- (b) Not applicable.
- (c) Not applicable.
- (d) Exhibit 99.1 – Press Release dated November 13, 2023.

Exhibit 104 - Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

HENRY SCHEIN, INC.

By: /s/ Ronald N. South
Ronald N. South
Senior Vice President and
Chief Financial Officer
(Authorized Signatory and Principal
Financial and Accounting Officer)

November 13, 2023

EXHIBIT INDEX

Exhibit No.	Description
99.1	Press Release dated November 13, 2023.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

FOR IMMEDIATE RELEASE

HENRY SCHEIN REPORTS THIRD-QUARTER 2023 FINANCIAL RESULTS AND UPDATES FULL-YEAR GUIDANCE

- **GAAP diluted EPS of \$1.05 and non-GAAP diluted EPS of \$1.32, reflecting stable net total sales growth of 3.1%**
- **2023 non-GAAP diluted EPS guidance of \$4.43 to \$4.71 updated to reflect:**
 - **a narrowing of previous guidance to \$5.18 to \$5.26 from \$5.18 to \$5.35 due to softening macroeconomic conditions, and**
 - **an estimated \$0.55 to \$0.75 business interruption impact from the recent cybersecurity incident, which excludes any future insurance claim recovery**

MELVILLE, N.Y., November 13, 2023 – Henry Schein, Inc. (Nasdaq: HSIC), the world’s largest provider of health care solutions to office-based dental and medical practitioners, today reported financial results for the third quarter ended September 30, 2023.

“We are reporting solid financial results for the third quarter. The Company achieved good total sales growth and non-GAAP diluted EPS growth despite continued lower sales of PPE products and COVID-19 test kits. Profitability benefitted from our technology, value-added services, and dental specialty products as we continue towards our goal of achieving 40% of operating income from sales of high-growth, high-margin products,” said Stanley M. Bergman, Chairman of the Board and Chief Executive Officer of Henry Schein.

“Regarding our recently reported cybersecurity incident, our distribution businesses are now operational and we are initiating the reactivation of our ecommerce platform early this week. We have also made significant progress resuming the high levels of service our customers have come to expect from us,” Mr. Bergman said.

“We are more than halfway through our three-year BOLD+1 Strategic Plan,” Mr. Bergman continued. “Despite current macroeconomic conditions and the cybersecurity incident, we have confidence in the stability of the dental and medical markets and remain committed to our strategic priorities and long-term financial model, which includes high single-digit to low double-digit operating income growth.”

Third-Quarter Financial Results

- **Total net sales** for the quarter were \$3.2 billion, an increase of 3.1% compared with the third quarter of 2022. This increase included a 1.2% decrease in local currencies excluding acquisitions, reflecting some market softening in the second half of the quarter as well as lower sales of PPE products and COVID-19 test kits. Growth from acquisitions

was 3.2% and there was a 1.1% increase in net sales related to foreign currency exchange¹. Sales of PPE products and COVID-19 test kits in the quarter were \$175 million, a decrease of \$69 million versus the prior-year period. When excluding sales of PPE products and COVID-19 test kits, third-quarter internal sales growth in local currencies was 1.1% compared with the prior year period.

- **GAAP net income**³ for the quarter was \$137 million, or \$1.05 per diluted share, compared with third-quarter 2022 GAAP net income of \$150 million, or \$1.09 per diluted share.
- **Non-GAAP net income**³ for the quarter was \$173 million, or \$1.32 per diluted share, compared with third-quarter 2022 non-GAAP net income of \$177 million, or \$1.29 per diluted share^{2,4}, and excludes restructuring expenses of \$11 million, or \$0.06 per diluted share, and amortization expense of acquired intangible assets of \$44 million, or \$0.21 per diluted share.
- **Global Dental sales were \$1.9 billion** for the quarter, an increase of 5.4% compared with the prior-year period, with strong sales growth in consumable merchandise driven by acquisitions. Internally generated sales decreased 0.2% in local currencies and reflect a 0.9% decrease in North America and 0.9% growth internationally, and increased 0.3% in local currencies when excluding sales of PPE products.
 - **Global Dental consumable merchandise internal sales increased** by 0.3% in local currencies. Excluding sales of PPE products, internal sales growth was 1.1% in local currencies.
 - **Global Dental equipment internal sales decreased** by 2.0% in local currencies, with continued growth in traditional equipment sales offset by a decrease in digital equipment sales despite higher unit sales.
- **Global Medical sales were \$1.1 billion** for the quarter, a decrease of 3.1% compared with the prior-year period. Internally generated sales decreased 4.6% in local currencies¹. Internal sales increased 0.8% in local currencies when excluding sales of PPE products and COVID-19 test kits and continued to be impacted by a difficult prior-year comparison of 9.3% sales growth, and a product mix shift to generic pharmaceuticals and corporate brand products.
- **Global Technology and Value-Added Services sales were \$210 million** for the quarter, an increase of 18.8% compared with the prior-year period, driven by the strength of Henry Schein One and by acquisitions. This included 9.6% internal sales growth in local currencies and 8.6% growth from acquisitions¹ including Large Practice Sales LLC. Henry Schein One achieved strong growth across its practice management software products, with particular strength in its cloud-based solutions, Dentrix Ascend and Dentally.

Year-to-Date Financial Results

- **Total net sales** for the first nine months of 2023 were \$9.3 billion, an increase of 0.5% compared with the first nine months of 2022. This increase included a 1.7% decrease in local currencies excluding acquisitions, 2.5% growth

¹ See Exhibit A for details of sales growth.

² See Exhibit B for a reconciliation of GAAP net income and diluted EPS to non-GAAP net income and diluted EPS.

³ See Exhibit C for details of acquisition expense and acquisition-related adjustments included in GAAP and non-GAAP net income.

⁴ Reference to diluted EPS refers to diluted EPS attributable to Henry Schein, Inc.

from acquisitions and a 0.3% decrease related to foreign currency exchange. Internal sales growth for the first nine months of 2023 in local currencies excluding sales of PPE products and COVID-19 test kits was 3.5% compared with the prior year.

- **GAAP net income**³ for the first nine months of 2023 was \$398 million, or \$3.02 per diluted share, compared with \$491 million, or \$3.55 per diluted share, for the first nine months of 2022.
- **Non-GAAP net income**³ for the first nine months of 2023 was \$507 million, or \$3.84 per diluted share, compared with \$557 million, or \$4.03 per diluted share, for the first nine months of 2022^{2,4}.

Capital Deployment

To accelerate the implementation of its 2022-2024 BOLD+1 Strategic Plan, the Company invested \$417 million in business acquisitions during the third quarter of 2023 and \$668 million year to date, and has committed over \$1 billion in capital to announced acquisitions year to date.

During the third quarter of 2023 the Company repurchased approximately 660,000 shares of its common stock at an average price of \$75.79 per share, for a total of \$50 million. The impact of the repurchase of shares on third-quarter diluted EPS was immaterial. At quarter-end, Henry Schein had approximately \$315 million authorized and available for future stock repurchases.

Update on Previously Reported Cybersecurity Incident

As disclosed in the Company's Current Report on Form 8-K filed on October 16, 2023, Henry Schein discovered a cybersecurity incident on October 14, 2023 that primarily affected its dental and medical distribution businesses. The Company has contained the incident, restored most of the business-critical systems it proactively took offline in response to the situation, and is making significant progress towards resuming normal-course operations.

On November 2, 2023, the Company filed a Form 12b-25 with the SEC and expects to file its Quarterly Report on Form 10-Q for the fiscal quarter ended September 30, 2023 before the end of November 2023.

The Company also expects to file an insurance claim in 2024 related to this incident. We expect the claim will be covered under its cyber insurance policy, although final resolution is subject to insurer approval. This policy has a \$60 million after-tax claim limit after a \$5 million retention, and any recovery from the claim will likely not be recognized until late 2024.

2023 Financial Guidance

Henry Schein updates guidance for full-year 2023, and now expects non-GAAP diluted EPS of \$4.43 to \$4.71. This reflects:

- a narrowing of the previous guidance range for the underlying business to \$5.18 to \$5.26 from its previous guidance of \$5.18 to \$5.35, reflecting softening macroeconomic conditions, and
- an estimated \$0.55 to \$0.75 per share business interruption impact of the recent cybersecurity incident, which excludes any future insurance claim recovery, and does not include certain expenses directly associated with the

cybersecurity incident.

Full-year 2023 sales are now expected to be approximately 1% to 3% lower than full-year 2022 sales, which is an update from prior guidance of 1% to 3% sales growth. This change in guidance is primarily due to the recent cybersecurity incident.

Guidance is for current continuing operations as well as announced acquisitions and does not include the impact of future share repurchases, potential future acquisitions, restructuring and integration expenses, amortization expense of acquired intangible assets, and certain expenses directly associated with the cybersecurity incident. This guidance also assumes that foreign currency exchange rates remain generally consistent with current levels and that end markets remain consistent with current market conditions.

Adjustments to 2023 GAAP Diluted EPS

The Company is providing guidance for 2023 diluted EPS on a non-GAAP basis, as noted above. The Company is not providing a reconciliation of its 2023 non-GAAP guidance to its projected 2023 diluted EPS prepared on a GAAP basis. This is because the Company is unable to provide without unreasonable effort an estimate of integration and restructuring costs related to an ongoing initiative to drive operating efficiencies and certain expenses directly associated with the cybersecurity incident, including the corresponding tax effect, that will be included in the Company's 2023 diluted EPS prepared on a GAAP basis. The inability to provide this reconciliation is due to the uncertainty and inherent difficulty of predicting the occurrence, magnitude, financial impact and timing of related costs.

Management does not believe these items are representative of the Company's underlying business performance. For the same reasons, the Company is unable to address the probable significance of the unavailable information, which could be material to future results.

Third-Quarter 2023 Conference Call Webcast

The Company will hold a conference call to discuss third-quarter 2023 financial results today, beginning at 10:00 a.m. Eastern time. Individual investors are invited to listen to the conference call through Henry Schein's website by visiting <https://investor.henryschein.com/webcasts> or by clicking on the following link <https://edge.media-server.com/mmc/p/d7k34xo5/>. In addition, a replay will be available beginning shortly after the call has ended for a period of one week.

The Company will be posting slides that provide a summary of its third-quarter 2023 financial results on its website at <https://investor.henryschein.com/investor-presentations>.

About Henry Schein, Inc.

Henry Schein, Inc. (Nasdaq: HSIC) is a solutions company for health care professionals powered by a network of people and technology. With approximately 24,000 Team Schein Members worldwide, the Company's network of trusted

advisors provides more than 1 million customers globally with more than 300 valued solutions that help improve operational success and clinical outcomes. Our Business, Clinical, Technology, and Supply Chain solutions help office-based dental and medical practitioners work more efficiently so they can provide quality care more effectively. These solutions also support dental laboratories, government and institutional health care clinics, as well as other alternate care sites.

Henry Schein operates through a centralized and automated distribution network, with a selection of more than 300,000 branded products and Henry Schein corporate brand products in our distribution centers.

A FORTUNE 500 Company and a member of the S&P 500® index, Henry Schein is headquartered in Melville, N.Y., and has operations or affiliates in 33 countries and territories. The Company's sales reached \$12.6 billion in 2022, and have grown at a compound annual rate of approximately 12.1 percent since Henry Schein became a public company in 1995.

For more information, visit Henry Schein at www.henryschein.com, [Facebook.com/HenrySchein](https://www.facebook.com/HenrySchein), [Instagram.com/HenrySchein](https://www.instagram.com/HenrySchein), and [Twitter.com/HenrySchein](https://www.twitter.com/HenrySchein).

Cautionary Note Regarding Forward-Looking Statements and Use of Non-GAAP Financial Information

In accordance with the “Safe Harbor” provisions of the Private Securities Litigation Reform Act of 1995, we provide the following cautionary remarks regarding important factors that, among others, could cause future results to differ materially from the forward-looking statements, expectations and assumptions expressed or implied herein. All forward-looking statements made by us are subject to risks and uncertainties and are not guarantees of future performance. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance and achievements or industry results to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. These statements include EPS guidance and are generally identified by the use of such terms as “may,” “could,” “expect,” “intend,” “believe,” “plan,” “estimate,” “forecast,” “project,” “anticipate,” “to be,” “to make” or other comparable terms. A fuller discussion of our operations, financial condition and status of litigation matters, including factors that may affect our business and future prospects, is contained in documents we have filed with the United States Securities and Exchange Commission, or SEC, including our Annual Report on Form 10-K, and will be contained in all subsequent periodic filings we make with the SEC. These documents identify in detail important risk factors that could cause our actual performance to differ materially from current expectations. Forward looking statements include the impact of the cybersecurity incident on our business and results of operations, including the accuracy of our estimates of the impact, the timing and extent of any insurance claim recovery, and the timing of the Company’s filing of its Quarterly Report on Form 10-Q for the period ended September 30, 2023, the overall impact of the Coronavirus Disease 2019 (COVID-19) on the Company, its results of operations, liquidity and financial condition (including any estimates of the impact on these items), the rate and consistency with which dental and other practices resume or maintain normal operations in the United States and internationally, expectations regarding personal protective equipment (“PPE”) products and COVID-19 related product sales and inventory levels, whether additional resurgences or variants of the virus will adversely impact the resumption of normal operations, whether supply chain disruptions will adversely impact our business, the impact of integration and restructuring programs as well as of any future acquisitions, general economic conditions including exchange rates, inflation and recession, and more generally current expectations regarding performance in current and future periods. Forward looking statements also include (i) our ability to have continued access to a variety of COVID-19 test types, and COVID-19 vaccines and ancillary supplies, and (ii) expectations regarding COVID-19 test sales, demand and inventory levels.

Risk factors and uncertainties that could cause actual results to differ materially from current and historical results include, but are not limited to: risks associated with COVID-19 and any variants thereof, as well as other disease outbreaks, epidemics, pandemics, or similar wide-spread public health concerns and other natural disasters; our dependence on third parties for the manufacture and supply of our products; our ability to develop or acquire and maintain and protect new products (particularly technology products) and technologies that achieve market acceptance with acceptable margins; transitional challenges associated with acquisitions, dispositions and joint ventures, including the failure to achieve anticipated synergies/benefits; legal, regulatory, compliance, cybersecurity, financial and tax risks associated with acquisitions, dispositions and joint ventures; certain provisions in our governing documents that may discourage third-party acquisitions of us; adverse changes in supplier rebates or other purchasing incentives; risks related to the sale of corporate

brand products; effects of a highly competitive (including, without limitation, competition from third-party online commerce sites) and consolidating market; the repeal or judicial prohibition on implementation of the Affordable Care Act; changes in the health care industry; risks from expansion of customer purchasing power and multi-tiered costing structures; increases in shipping costs for our products or other service issues with our third-party shippers; general global and domestic macroeconomic and political conditions, including inflation, deflation, recession, fluctuations in energy pricing and the value of the U.S. dollar as compared to foreign currencies and changes to other economic indicators, international trade agreements, potential trade barriers and terrorism; failure to comply with existing and future regulatory requirements; risks associated with the EU Medical Device Regulation; failure to comply with laws and regulations relating to health care fraud or other laws and regulations; failure to comply with laws and regulations relating to the collection, storage and processing of sensitive personal information or standards in electronic health records or transmissions; changes in tax legislation; risks related to product liability, intellectual property and other claims; litigation risks; new or unanticipated litigation developments and the status of litigation matters; risks associated with customs policies or legislative import restrictions; cyberattacks or other privacy or data security breaches; risks associated with our global operations; our dependence on our senior management, employee hiring and retention, and our relationships with customers, suppliers and manufacturers; and disruptions in financial markets. The order in which these factors appear should not be construed to indicate their relative importance or priority.

We caution that these factors may not be exhaustive and that many of these factors are beyond our ability to control or predict. Accordingly, any forward-looking statements contained herein should not be relied upon as a prediction of actual results. We undertake no duty and have no obligation to update forward-looking statements except as required by law.

Included within the press release are non-GAAP financial measures that supplement the Company's Consolidated Statements of Income prepared under generally accepted accounting principles (GAAP). These non-GAAP financial measures adjust the Company's actual results prepared under GAAP to exclude certain items. In the schedules attached to the press release, the non-GAAP measures have been reconciled to and should be considered together with the Consolidated Statements of Income. Management believes that non-GAAP financial measures provide investors with useful supplemental information about the financial performance of our business, enable comparison of financial results between periods where certain items may vary independent of business performance and allow for greater transparency with respect to key metrics used by management in operating our business. The impact of certain items that are excluded include integration and restructuring costs, and amortization of acquisition-related assets, because the amount and timing of such charges are significantly impacted by the timing, size, number and nature of the acquisitions we consummate and occur on an unpredictable basis. These non-GAAP financial measures are presented solely for informational and comparative purposes and should not be regarded as a replacement for corresponding, similarly captioned, GAAP measures.

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(TABLES TO FOLLOW)

HENRY SCHEIN, INC.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(in millions, except share and per share data)
(unaudited)

	Three Months Ended		Nine Months Ended	
	September 30, 2023	September 24, 2022	September 30, 2023	September 24, 2022
Net sales	\$ 3,162	\$ 3,067	\$ 9,322	\$ 9,276
Cost of sales	<u>2,167</u>	<u>2,153</u>	<u>6,386</u>	<u>6,444</u>
Gross profit	995	914	2,936	2,832
Operating expenses:				
Selling, general and administrative	725	648	2,149	2,010
Depreciation and amortization	59	45	152	137
Restructuring and integration costs	<u>11</u>	<u>10</u>	<u>59</u>	<u>10</u>
Operating income	200	211	576	675
Other income (expense):				
Interest income	6	1	12	5
Interest expense	(25)	(8)	(58)	(23)
Other, net	<u>(2)</u>	<u>1</u>	<u>(2)</u>	<u>1</u>
Income before taxes, equity in earnings of affiliates and noncontrolling interests	179	205	528	658
Income taxes	(39)	(46)	(119)	(155)
Equity in earnings of affiliates	<u>3</u>	<u>3</u>	<u>10</u>	<u>12</u>
Net income	143	162	419	515
Less: Net income attributable to noncontrolling interests	(6)	(12)	(21)	(24)
Net income attributable to Henry Schein, Inc.	<u>\$ 137</u>	<u>\$ 150</u>	<u>\$ 398</u>	<u>\$ 491</u>

Earnings per share attributable to Henry Schein, Inc.:

Basic	<u>\$ 1.06</u>	<u>\$ 1.10</u>	<u>\$ 3.04</u>	<u>\$ 3.59</u>
Diluted	<u>\$ 1.05</u>	<u>\$ 1.09</u>	<u>\$ 3.02</u>	<u>\$ 3.55</u>
Weighted-average common shares outstanding:				
Basic	<u>130,388,353</u>	<u>135,608,678</u>	<u>130,888,717</u>	<u>136,731,413</u>
Diluted	<u>131,442,135</u>	<u>137,084,049</u>	<u>132,149,172</u>	<u>138,488,254</u>

Note: Certain prior period amounts have been reclassified to conform to the current period presentation.

Exhibit A - Third Quarter Sales

Henry Schein, Inc.
2023 Third Quarter
Sales Summary
(in millions)
(unaudited)
Q3 2023 over Q3 2022

			<u>Local Currency Growth</u>		Total Local Currency Growth	Foreign Exchange Impact	Total Sales Growth
	<u>Q3 2023</u>	<u>Q3 2022</u>	Local Internal Growth	Acquisition Growth			
Global							
Dental Merchandise	\$ 1,465	\$ 1,371	0.3%	4.8%	5.1%	1.8%	6.9%
Dental Equipment	417	414	-2.0%	0.9%	-1.1%	1.7%	0.6%
Total Dental	1,882	1,785	-0.2%	3.8%	3.6%	1.8%	5.4%
Medical	1,070	1,106	-4.6%	1.4%	-3.2%	0.1%	-3.1%
Total Health Care Distribution	2,952	2,891	-1.9%	2.9%	1.0%	1.1%	2.1%
Technology and Value-Added Services	210	176	9.6%	8.6%	18.2%	0.6%	18.8%
Total Global	<u>\$ 3,162</u>	<u>\$ 3,067</u>	-1.2%	3.2%	2.0%	1.1%	3.1%

			<u>Local Currency Growth</u>		Total Local Currency Growth	Foreign Exchange Impact	Total Sales Growth
	<u>Q3 2023</u>	<u>Q3 2022</u>	Local Internal Growth	Acquisition Growth			
North America							
Dental Merchandise	\$ 866	\$ 866	-1.2%	1.4%	0.2%	-0.3%	-0.1%
Dental Equipment	268	265	0.2%	1.4%	1.6%	-0.4%	1.2%
Total Dental	1,134	1,131	-0.9%	1.4%	0.5%	-0.3%	0.2%
Medical	1,044	1,088	-4.5%	0.4%	-4.1%	0.0%	-4.1%
Total Health Care Distribution	2,178	2,219	-2.7%	0.9%	-1.8%	-0.1%	-1.9%
Technology and Value-Added Services	185	155	9.2%	9.8%	19.0%	0.0%	19.0%
Total North America	<u>\$ 2,363</u>	<u>\$ 2,374</u>	-1.9%	1.5%	-0.4%	-0.1%	-0.5%

			<u>Local Currency Growth</u>		Total Local Currency Growth	Foreign Exchange Impact	Total Sales Growth
	<u>Q3 2023</u>	<u>Q3 2022</u>	Local Internal Growth	Acquisition Growth			
International							
Dental Merchandise	\$ 599	\$ 505	2.9%	10.6%	13.5%	5.3%	18.8%
Dental Equipment	149	149	-5.9%	0.0%	-5.9%	5.5%	-0.4%
Total Dental	748	654	0.9%	8.1%	9.0%	5.4%	14.4%
Medical	26	18	-9.2%	63.0%	53.8%	3.3%	57.1%
Total Health Care Distribution	774	672	0.6%	9.6%	10.2%	5.3%	15.5%
Technology and Value-Added Services	25	21	11.9%	0.0%	11.9%	5.8%	17.7%
Total International	<u>\$ 799</u>	<u>\$ 693</u>	1.0%	9.2%	10.2%	5.4%	15.6%

Note: Certain prior period amounts have been reclassified to conform to the current period presentation.

Exhibit A - Year-to-Date Sales

Henry Schein, Inc.
2023 Third Quarter Year-to-Date
Sales Summary
(in millions)
(unaudited)

Q3 2023 Year-to-Date over Q3 2022 Year-to-Date

Global			<u>Local Currency Growth</u>		Total Local Currency Growth	Foreign Exchange Impact	Total Sales Growth
	Q3 2023	Q3 2022	Local Internal Growth	Acquisition Growth			
Dental Merchandise	\$ 4,466	\$ 4,241	1.7%	4.0%	5.7%	-0.4%	5.3%
Dental Equipment	1,271	1,225	2.7%	1.5%	4.2%	-0.4%	3.8%
Total Dental	5,737	5,466	1.9%	3.5%	5.4%	-0.4%	5.0%
Medical	2,991	3,274	-9.3%	0.7%	-8.6%	0.0%	-8.6%
Total Health Care Distribution	8,728	8,740	-2.3%	2.4%	0.1%	-0.2%	-0.1%
Technology and Value-Added Services	594	536	7.2%	3.8%	11.0%	-0.3%	10.7%
Total Global	\$ 9,322	\$ 9,276	-1.7%	2.5%	0.8%	-0.3%	0.5%

North America			<u>Local Currency Growth</u>		Total Local Currency Growth	Foreign Exchange Impact	Total Sales Growth
	Q3 2023	Q3 2022	Local Internal Growth	Acquisition Growth			
Dental Merchandise	\$ 2,659	\$ 2,615	0.0%	2.1%	2.1%	-0.4%	1.7%
Dental Equipment	788	745	4.1%	2.4%	6.5%	-0.7%	5.8%
Total Dental	3,447	3,360	0.9%	2.2%	3.1%	-0.5%	2.6%
Medical	2,920	3,215	-9.3%	0.1%	-9.2%	0.0%	-9.2%
Total Health Care Distribution	6,367	6,575	-4.1%	1.2%	-2.9%	-0.3%	-3.2%
Technology and Value-Added Services	519	469	6.4%	4.4%	10.8%	-0.1%	10.7%
Total North America	\$ 6,886	\$ 7,044	-3.4%	1.4%	-2.0%	-0.3%	-2.3%

International			<u>Local Currency Growth</u>		Total Local Currency Growth	Foreign Exchange Impact	Total Sales Growth
	Q3 2023	Q3 2022	Local Internal Growth	Acquisition Growth			
Dental Merchandise	\$ 1,807	\$ 1,626	4.4%	7.1%	11.5%	-0.4%	11.1%
Dental Equipment	483	480	0.7%	0.0%	0.7%	0.0%	0.7%
Total Dental	2,290	2,106	3.5%	5.5%	9.0%	-0.2%	8.8%
Medical	71	59	-6.8%	31.7%	24.9%	-1.5%	23.4%
Total Health Care Distribution	2,361	2,165	3.2%	6.3%	9.5%	-0.4%	9.1%
Technology and Value-Added Services	75	67	12.7%	0.0%	12.7%	-1.6%	11.1%
Total International	\$ 2,436	\$ 2,232	3.5%	6.1%	9.6%	-0.4%	9.2%

Note: Certain prior period amounts have been reclassified to conform to the current period presentation.

Exhibit B

Henry Schein, Inc.
2023 Third Quarter

Reconciliation of reported GAAP net income and diluted EPS attributable to Henry Schein, Inc.
to non-GAAP net income and diluted EPS attributable to Henry Schein, Inc.
(in millions, except per share data)
(unaudited)

	Third Quarter			Year-to-Date		
	2023	2022	% Growth	2023	2022	% Growth
Net income attributable to Henry Schein, Inc.	\$ 137	\$ 150	(8.0)%	\$ 398	\$ 491	(18.9)%
Diluted EPS attributable to Henry Schein, Inc.	\$ 1.05	\$ 1.09	(3.7)%	\$ 3.02	\$ 3.55	(14.9)%
Non-GAAP Adjustments						
Restructuring and integration costs, net of tax (1)	\$ 8	\$ 7		\$ 42	\$ 7	
Acquisition intangible amortization, net of tax (2)	27	20		66	59	
Non-GAAP adjustments to net income	\$ 35	\$ 27		\$ 108	\$ 66	
Non-GAAP adjustments to diluted EPS	0.27	0.20		0.82	0.48	
Non-GAAP net income attributable to Henry Schein, Inc.	\$ 173	\$ 177	(2.1)%	\$ 507	\$ 557	(9.1)%
Non-GAAP diluted EPS attributable to Henry Schein, Inc.	\$ 1.32	\$ 1.29	2.3 %	\$ 3.84	\$ 4.03	(4.7)%

Management believes that non-GAAP financial measures provide investors with useful supplemental information about the financial performance of our business, enable comparison of financial results between periods where certain items may vary independent of business performance and allow for greater transparency with respect to key metrics used by management in operating our business. These non-GAAP financial measures are presented solely for informational and comparative purposes and should not be regarded as a replacement for corresponding, similarly captioned, GAAP measures. Net income growth rates are based on actual values and may not recalculate due to rounding. Amounts may not sum due to rounding.

(1) Restructuring and Integration Costs

The following table presents details of our restructuring and integration costs:

	Third Quarter		Year-to-Date	
	2023	2022	2023	2022
Restructuring and integration costs - pre-tax, as reported	\$ 11	\$ 10	\$ 59	\$ 10
Income tax benefit	(3)	(3)	(15)	(3)
Amount attributable to noncontrolling interests	-	-	(2)	-
Restructuring and integration costs, net	\$ 8	\$ 7	\$ 42	\$ 7

Q3 2023 restructuring costs primarily consisted of employee severance and costs related to the exit of facilities.

(2) Acquisition Intangible Amortization

The following table presents details of amortization of acquired intangible assets:

	Third Quarter		Year-to-Date	
	2023	2022	2023	2022
Acquisition intangible amortization - pre-tax, as reported	\$ 44	\$ 32	\$ 108	\$ 95
Income tax benefit	(11)	(8)	(27)	(24)
Amount attributable to noncontrolling interests	(6)	(4)	(15)	(12)
Acquisition intangible amortization, net	\$ 27	\$ 20	\$ 66	\$ 59

Exhibit C

Henry Schein, Inc.
2023 Third Quarter
Acquisition Expenses and Acquisition-Related Adjustments
(in millions, except per share data)
(unaudited)

	Q3 2023		YTD 2023	
	Operating Income	EPS	Operating Income	EPS
Acquisition Expenses*	\$ (5)	\$ (0.04)	\$ (18)	\$ (0.12)
Acquisition-Related Fair Value Adjustments**	(4)	(0.01)	12	0.08
	\$ (9)	\$ (0.05)	\$ (6)	\$ (0.04)
	Q3 2022		YTD 2022	
	Operating Income	EPS	Operating Income	EPS
Acquisition Expenses*	\$ (3)	\$ (0.02)	\$ (6)	\$ (0.04)
Acquisition-Related Fair Value Adjustments**	8	0.05	12	0.06
	\$ 5	\$ 0.03	\$ 6	\$ 0.02

* Acquisition expenses include direct costs of acquisitions (primarily third-party professional fees).

** Net acquisition-related fair value adjustments include remeasurement gain resulting from the purchase of a controlling interest of a previously held equity investment, impact from non-cash step-up inventory adjustments and fair value adjustments to contingent considerations.